

Message Text

UNCLASSIFIED

PAGE 01 ATHENS 00744 041854Z

64

ACTION NEA-13

INFO OCT-01 ISO-00 EB-11 OMB-01 TRSE-00 COME-00 AGR-20

CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03 NSAE-00 NSC-10

PA-04 RSC-01 PRS-01 SPC-03 SS-20 USIA-15 SAM-01 SCI-06

FEA-02 INT-08 DRC-01 /141 W
----- 058252

R 041630Z FEB 74

FM AMEMBASSY ATHENS
TO SECSTATE WASHDC 2377

UNCLAS ATHENS 0744

E.O. 11652: N/A

TAGS: EGEN, GR

SUBJECT: ALTERNATE COORDINATION MINISTER ELIAS BALOPOULOS
PRESS CONFERENCE

1. ALTERNATE COORDINATION MINISTER BALOPOULOS COMMENTED ON ECONOMIC PROSPECTS FOR 1974 AT PRESS CONFERENCE ON FEBRUARY 1. AMONG THE TOPICS DISCUSSED WERE:

A. DEVALUATION OF THE DRACHMA: BALOPOULOS DENIED THAT THIS MEASURE EVEN UNDER CONSIDERATION.

B. EQUILIBRIUM: "THE GREEK ECONOMY IS STEADILY AND SPEEDILY IMPROVING, AND THAT... WITH MEASURES ALREADY INTRODUCED AND THOSE UNDER CONSIDERATION CONDITIONS OF STABILITY AND EQUILIBRIUM ARE BEING ESTABLISHED." BALOPOULOS ASSOCIATED EQUILIBRIUM WITH CURTAILMENT CONSUMER EXPENDITURES AND STRENGTHENING "PRODUCTIVE ACTIVITY." HE STATED GOG WILL SOON ANNOUNCE SERIES OF NEW INCENTIVES DESIGNED TO STIMULATE AGRICULTURAL AND INDUSTRIAL PRODUCTION. ASSERTED THAT MEASURES TAKEN WILL CHECK FURTHER PRICE INCREASES, ESPECIALLY OF STAPLE FOOD ITEMS.

C. LIQUIDITY: BALOPOULOS ASSERTED THAT CURRENTLY AT "NORMAL LEVELS." ALTHOUGH THIS IS SLIGHT EXAGGERATION LACK OF CONTROL OVER MONEY SUPPLY EVIDENCED AS LATE AS MID-YEAR 1973 HAS BEEN REMEDIED, AND MONEY SUPPLY HAS GRADUALLY DECLINED, IN

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ATHENS 00744 041854Z

ABSOLUTE TERMS, SINCE AUGUST.

D. BALANCE OF PAYMENTS: ANTICIPATED THAT CAPITAL INFLOW WOULD COVER CURRENT ACCOUNT DEFICIT AND ASSERTED THAT GREECE'S BORROWING POTENTIAL VERY HIGH ABROAD. TOOK POSITIVE STAND ON EXPORT GROWTH, DUE STIMULATION OF PRODUCTION AND EFFECT AUSTERITY PROGRAM AND LIQUIDITY CONSTRICTION ON DOMESTIC DEMAND, AND ANNOUNCED REINSTATEMENT OF CONCESSIONAL INTEREST RATES FOR THE FINANCING OF EXPORTS.

E. OIL CRISIS: INDICATED REDUCTIONS OF PETROLEUM PRODUCT PRICES DEPENDENT ON CRUDE OIL PRICE ROLLBACK. STATED THAT PRESENT GASOLINE PRICES, FOR EXAMPLE, CORRESPOND TO CIF PRICE OF \$120 PER TON FOR CRUDE. HE INDICATED THAT IT TOO EARLY TO JUDGE EFFECTIVENESS OF MEASURES TO REDUCE FUEL CONSUMPTION, BUT APPEARS GASOLINE CONSUMPTION DOWN ABOUT 1/3.

2. COMMENT. AS WITH JANUARY 23 RADIO AND TV BROADCAST BY COORDINATION UNDERSECRETARY ELEFThERIOU, PERFORMANCE AMOUNTED TO ECONOMIC PEP TALK. THIS TIME A FEW SPECIFIC PROPOSALS MIXED IN WITH BROAD GENERALITIES. TASCA

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, PETROLEUM, PRESS CONFERENCES, BALANCE OF PAYMENTS, PRICES
Control Number: n/a
Copy: SINGLE
Draft Date: 04 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ATHENS00744
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: ATHENS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740259/aaaacdbg.tel
Line Count: 81
Locator: TEXT ON-LINE
Office: ACTION NEA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: cunninfx
Review Comment: n/a
Review Content Flags:
Review Date: 04 MAR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 MAR 2002 by bryansd0>; APPROVED <27 NOV 2002 by cunninfx>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ALTERNATE COORDINATION MINISTER ELIAS BALOPOULOS PRESS CONFERENCE
TAGS: EGEN, GR, (BALOPOULOS, ELIAS)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005